



Sen. Darin M. LaHood

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09900SB1796sam001

LRB099 11025 MLM 32561 a

1 AMENDMENT TO SENATE BILL 1796

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1796 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Video Gaming Act is amended by changing  
5 Sections 5, 25, 55, and 58 and by adding Sections 41 and 59 as  
6 follows:

7 (230 ILCS 40/5)

8 Sec. 5. Definitions. As used in this Act:

9 "Board" means the Illinois Gaming Board.

10 "Credit" means one, 5, 10, or 25 cents either won or  
11 purchased by a player.

12 "Distributor" means an individual, partnership,  
13 corporation, or limited liability company licensed under this  
14 Act to buy, sell, lease, or distribute video gaming terminals  
15 or major components or parts of video gaming terminals to or  
16 from terminal operators.

1 "Electronic card" means a card purchased from a licensed  
2 establishment, licensed fraternal establishment, licensed  
3 veterans establishment, or licensed truck stop establishment  
4 for use in that establishment as a substitute for cash in the  
5 conduct of gaming on a video gaming terminal.

6 "Electronic voucher" means a voucher printed by an  
7 electronic video game machine that is redeemable in the  
8 licensed establishment for which it was issued.

9 "Terminal operator" means an individual, partnership,  
10 corporation, or limited liability company that is licensed  
11 under this Act and that owns, services, and maintains video  
12 gaming terminals for placement in licensed establishments,  
13 licensed truck stop establishments, licensed fraternal  
14 establishments, or licensed veterans establishments.

15 "Licensed technician" means an individual who is licensed  
16 under this Act to repair, service, and maintain video gaming  
17 terminals.

18 "Licensed terminal handler" means a person, including but  
19 not limited to an employee or independent contractor working  
20 for a manufacturer, distributor, supplier, technician, or  
21 terminal operator, who is licensed under this Act to possess or  
22 control a video gaming terminal or to have access to the inner  
23 workings of a video gaming terminal. A licensed terminal  
24 handler does not include an individual, partnership,  
25 corporation, or limited liability company defined as a  
26 manufacturer, distributor, supplier, technician, or terminal

1 operator under this Act.

2 "Manufacturer" means an individual, partnership,  
3 corporation, or limited liability company that is licensed  
4 under this Act and that manufactures or assembles video gaming  
5 terminals.

6 "Supplier" means an individual, partnership, corporation,  
7 or limited liability company that is licensed under this Act to  
8 supply major components or parts to video gaming terminals to  
9 licensed terminal operators.

10 "Net terminal income" means money put into a video gaming  
11 terminal minus credits paid out to players.

12 "Video Gaming Board Exclusion List" or "Exclusion List"  
13 means a publicly available list of persons compiled,  
14 maintained, and published by the Board pursuant to Section 41  
15 of this Act and procedures established by Board rule.

16 "Video gaming terminal" means any electronic video game  
17 machine that, upon insertion of cash, electronic cards or  
18 vouchers, or any combination thereof, is available to play or  
19 simulate the play of a video game, including but not limited to  
20 video poker, line up, and blackjack, as authorized by the Board  
21 utilizing a video display and microprocessors in which the  
22 player may receive free games or credits that can be redeemed  
23 for cash. The term does not include a machine that directly  
24 dispenses coins, cash, or tokens or is for amusement purposes  
25 only.

26 "Licensed establishment" means any licensed retail

1 establishment where alcoholic liquor is drawn, poured, mixed,  
2 or otherwise served for consumption on the premises, whether  
3 the establishment operates on a nonprofit or for-profit basis.  
4 "Licensed establishment" includes any such establishment that  
5 has a contractual relationship with an inter-track wagering  
6 location licensee licensed under the Illinois Horse Racing Act  
7 of 1975, provided any contractual relationship shall not  
8 include any transfer or offer of revenue from the operation of  
9 video gaming under this Act to any licensee licensed under the  
10 Illinois Horse Racing Act of 1975. Provided, however, that the  
11 licensed establishment that has such a contractual  
12 relationship with an inter-track wagering location licensee  
13 may not, itself, be (i) an inter-track wagering location  
14 licensee, (ii) the corporate parent or subsidiary of any  
15 licensee licensed under the Illinois Horse Racing Act of 1975,  
16 or (iii) the corporate subsidiary of a corporation that is also  
17 the corporate parent or subsidiary of any licensee licensed  
18 under the Illinois Horse Racing Act of 1975. "Licensed  
19 establishment" does not include a facility operated by an  
20 organization licensee, an inter-track wagering licensee, or an  
21 inter-track wagering location licensee licensed under the  
22 Illinois Horse Racing Act of 1975 or a riverboat licensed under  
23 the Riverboat Gambling Act, except as provided in this  
24 paragraph. The changes made to this definition by Public Act  
25 98-587 are declarative of existing law.

26 "Licensed fraternal establishment" means the location

1 where a qualified fraternal organization that derives its  
2 charter from a national fraternal organization regularly  
3 meets.

4 "Licensed veterans establishment" means the location where  
5 a qualified veterans organization that derives its charter from  
6 a national veterans organization regularly meets.

7 "Licensed truck stop establishment" means a facility (i)  
8 that is at least a 3-acre facility with a convenience store,  
9 (ii) with separate diesel islands for fueling commercial motor  
10 vehicles, (iii) that sells at retail more than 10,000 gallons  
11 of diesel or biodiesel fuel per month, and (iv) with parking  
12 spaces for commercial motor vehicles. "Commercial motor  
13 vehicles" has the same meaning as defined in Section 18b-101 of  
14 the Illinois Vehicle Code. The requirement of item (iii) of  
15 this paragraph may be met by showing that estimated future  
16 sales or past sales average at least 10,000 gallons per month.

17 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13;  
18 98-582, eff. 8-27-13; 98-587, eff. 8-27-13; 98-756, eff.  
19 7-16-14.)

20 (230 ILCS 40/25)

21 Sec. 25. Restriction of licensees.

22 (a) Manufacturer. A person may not be licensed as a  
23 manufacturer of a video gaming terminal in Illinois unless the  
24 person has a valid manufacturer's license issued under this  
25 Act. A manufacturer may only sell video gaming terminals for

1 use in Illinois to persons having a valid distributor's  
2 license.

3 (b) Distributor. A person may not sell, distribute, or  
4 lease or market a video gaming terminal in Illinois unless the  
5 person has a valid distributor's license issued under this Act.  
6 A distributor may only sell video gaming terminals for use in  
7 Illinois to persons having a valid distributor's or terminal  
8 operator's license.

9 (c) Terminal operator. A person may not own, maintain, or  
10 place a video gaming terminal unless he has a valid terminal  
11 operator's license issued under this Act. A terminal operator  
12 may only place video gaming terminals for use in Illinois in  
13 licensed establishments, licensed truck stop establishments,  
14 licensed fraternal establishments, and licensed veterans  
15 establishments. No terminal operator may give anything of  
16 value, including but not limited to a loan or financing  
17 arrangement, to a licensed establishment, licensed truck stop  
18 establishment, licensed fraternal establishment, or licensed  
19 veterans establishment as any incentive or inducement to locate  
20 video terminals in that establishment. Of the after-tax profits  
21 from a video gaming terminal, 50% shall be paid to the terminal  
22 operator and 50% shall be paid to the licensed establishment,  
23 licensed truck stop establishment, licensed fraternal  
24 establishment, or licensed veterans establishment,  
25 notwithstanding any agreement to the contrary. A video terminal  
26 operator that violates one or more requirements of this

1 subsection is guilty of a Class 4 felony and is subject to  
2 termination of his or her license by the Board.

3 (c-5) Terminal operator restrictions. A terminal operator  
4 shall not allow its associated licensees, owners, licensed  
5 employees, licensed agents, any person with a substantial  
6 interest in, or any person with control over the licensed  
7 terminal operator to use or play any video gaming terminal that  
8 the licensed terminal operator owns, services, or maintains.

9 (d) Licensed technician. A person may not service,  
10 maintain, or repair a video gaming terminal in this State  
11 unless he or she (1) has a valid technician's license issued  
12 under this Act, (2) is a terminal operator, or (3) is employed  
13 by a terminal operator, distributor, or manufacturer. A  
14 licensed technician shall not use or play any video gaming  
15 terminal that the licensed technician has repaired in the past  
16 365 days, is, or within the next 365 days may be responsible to  
17 repair, service, or maintain, or that is owned, repaired,  
18 serviced, or maintained by any licensee that employs or  
19 contracts with the licensed technician as part of a video  
20 gaming operation.

21 (d-5) Licensed terminal handler. No person, including, but  
22 not limited to, an employee or independent contractor working  
23 for a manufacturer, distributor, supplier, technician, or  
24 terminal operator licensed pursuant to this Act, shall have  
25 possession or control of a video gaming terminal, or access to  
26 the inner workings of a video gaming terminal, unless that

1 person possesses a valid terminal handler's license issued  
2 under this Act. A licensed terminal handler shall not use or  
3 play any video gaming terminal that the licensed terminal  
4 handler has in the past 365 days, is, or within the next 365  
5 days may be responsible to repair, service, or maintain, or  
6 that is owned, repaired, serviced, or maintained by any  
7 licensee that employs or contracts with the licensed terminal  
8 handler as part of a video gaming operation.

9 (e) Licensed establishment. No video gaming terminal may be  
10 placed in any licensed establishment, licensed veterans  
11 establishment, licensed truck stop establishment, or licensed  
12 fraternal establishment unless the owner or agent of the owner  
13 of the licensed establishment, licensed veterans  
14 establishment, licensed truck stop establishment, or licensed  
15 fraternal establishment has entered into a written use  
16 agreement with the terminal operator for placement of the  
17 terminals. A copy of the use agreement shall be on file in the  
18 terminal operator's place of business and available for  
19 inspection by individuals authorized by the Board. A licensed  
20 establishment, licensed truck stop establishment, licensed  
21 veterans establishment, or licensed fraternal establishment  
22 may operate up to 5 video gaming terminals on its premises at  
23 any time.

24 A licensed establishment, licensed truck stop  
25 establishment, licensed veterans establishment, or licensed  
26 fraternal establishment shall only cash the following checks:

1 (i) personal checks, (ii) cashier's checks, (iii) money orders,  
2 (iv) credit card advance checks, (v) Traveler's checks, and  
3 (vi) wire transfer service checks. Licensed establishments,  
4 licensed truck stop establishments, licensed veterans  
5 establishments, and licensed fraternal establishments shall  
6 not allow their associated licensees, owners, licensed  
7 employees, licensed agents, managers, any person with 5% or  
8 more attributed interest in, any person with a substantial  
9 interest in, or any person with control over the licensed video  
10 gaming location to use or play any video gaming terminal  
11 located in the licensed video gaming location.

12 (f) (Blank).

13 (g) Financial interest restrictions. As used in this Act,  
14 "substantial interest" in a partnership, a corporation, an  
15 organization, an association, a business, or a limited  
16 liability company means:

17 (A) When, with respect to a sole proprietorship, an  
18 individual or his or her spouse owns, operates, manages, or  
19 conducts, directly or indirectly, the organization,  
20 association, or business, or any part thereof; or

21 (B) When, with respect to a partnership, the individual  
22 or his or her spouse shares in any of the profits, or  
23 potential profits, of the partnership activities; or

24 (C) When, with respect to a corporation, an individual  
25 or his or her spouse is an officer or director, or the  
26 individual or his or her spouse is a holder, directly or

1           beneficially, of 5% or more of any class of stock of the  
2           corporation; or

3           (D) When, with respect to an organization not covered  
4           in (A), (B) or (C) above, an individual or his or her  
5           spouse is an officer or manages the business affairs, or  
6           the individual or his or her spouse is the owner of or  
7           otherwise controls 10% or more of the assets of the  
8           organization; or

9           (E) When an individual or his or her spouse furnishes  
10          5% or more of the capital, whether in cash, goods, or  
11          services, for the operation of any business, association,  
12          or organization during any calendar year; or

13          (F) When, with respect to a limited liability company,  
14          an individual or his or her spouse is a member, or the  
15          individual or his or her spouse is a holder, directly or  
16          beneficially, of 5% or more of the membership interest of  
17          the limited liability company.

18          For purposes of this subsection (g), "individual" includes  
19          all individuals or their spouses whose combined interest would  
20          qualify as a substantial interest under this subsection (g) and  
21          whose activities with respect to an organization, association,  
22          or business are so closely aligned or coordinated as to  
23          constitute the activities of a single entity.

24          (h) Location restriction. A licensed establishment,  
25          licensed truck stop establishment, licensed fraternal  
26          establishment, or licensed veterans establishment that is (i)

1 located within 1,000 feet of a facility operated by an  
2 organization licensee licensed under the Illinois Horse Racing  
3 Act of 1975 or the home dock of a riverboat licensed under the  
4 Riverboat Gambling Act or (ii) located within 100 feet of a  
5 school or a place of worship under the Religious Corporation  
6 Act, is ineligible to operate a video gaming terminal. The  
7 location restrictions in this subsection (h) do not apply if  
8 (A) a facility operated by an organization licensee, a school,  
9 or a place of worship moves to or is established within the  
10 restricted area after a licensed establishment, licensed truck  
11 stop establishment, licensed fraternal establishment, or  
12 licensed veterans establishment becomes licensed under this  
13 Act or (B) a school or place of worship moves to or is  
14 established within the restricted area after a licensed  
15 establishment, licensed truck stop establishment, licensed  
16 fraternal establishment, or licensed veterans establishment  
17 obtains its original liquor license. For the purpose of this  
18 subsection, "school" means an elementary or secondary public  
19 school, or an elementary or secondary private school registered  
20 with or recognized by the State Board of Education.

21 Notwithstanding the provisions of this subsection (h), the  
22 Board may waive the requirement that a licensed establishment,  
23 licensed truck stop establishment, licensed fraternal  
24 establishment, or licensed veterans establishment not be  
25 located within 1,000 feet from a facility operated by an  
26 organization licensee licensed under the Illinois Horse Racing

1 Act of 1975 or the home dock of a riverboat licensed under the  
2 Riverboat Gambling Act. The Board shall not grant such waiver  
3 if there is any common ownership or control, shared business  
4 activity, or contractual arrangement of any type between the  
5 establishment and the organization licensee or owners licensee  
6 of a riverboat. The Board shall adopt rules to implement the  
7 provisions of this paragraph.

8 (i) Undue economic concentration. In addition to  
9 considering all other requirements under this Act, in deciding  
10 whether to approve the operation of video gaming terminals by a  
11 terminal operator in a location, the Board shall consider the  
12 impact of any economic concentration of such operation of video  
13 gaming terminals. The Board shall not allow a terminal operator  
14 to operate video gaming terminals if the Board determines such  
15 operation will result in undue economic concentration. For  
16 purposes of this Section, "undue economic concentration" means  
17 that a terminal operator would have such actual or potential  
18 influence over video gaming terminals in Illinois as to:

19 (1) substantially impede or suppress competition among  
20 terminal operators;

21 (2) adversely impact the economic stability of the  
22 video gaming industry in Illinois; or

23 (3) negatively impact the purposes of the Video Gaming  
24 Act.

25 The Board shall adopt rules concerning undue economic  
26 concentration with respect to the operation of video gaming

1 terminals in Illinois. The rules shall include, but not be  
2 limited to, (i) limitations on the number of video gaming  
3 terminals operated by any terminal operator within a defined  
4 geographic radius and (ii) guidelines on the discontinuation of  
5 operation of any such video gaming terminals the Board  
6 determines will cause undue economic concentration.

7 (j) The provisions of the Illinois Antitrust Act are fully  
8 and equally applicable to the activities of any licensee under  
9 this Act.

10 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,  
11 eff. 7-15-13; 98-112, eff. 7-26-13; 98-756, eff. 7-16-14.)

12 (230 ILCS 40/41 new)

13 Sec. 41. Video Gaming Board Exclusion List.

14 (a) The Board shall establish a Video Gaming Board  
15 Exclusion List. Persons on the Exclusion List shall be  
16 prohibited from licensure under this Act and from engaging in  
17 any activities, agreements, or transactions authorized by this  
18 Act, rules adopted under this Act, or a final order of the  
19 Board, or that are connected with or affects, or can reasonably  
20 be expected to be connected with or affect, video gaming or  
21 gambling operations. No licensee under this Act shall knowingly  
22 engage in any contractual, employment, or other business  
23 relationship with a person on the Video Gaming Board Exclusion  
24 List. The Board shall direct the termination of a contractual,  
25 employment, or other business relationship entered into by a

1 licensee with a person on the Exclusion List which was entered  
2 into before the date the person was placed on the Exclusion  
3 List.

4 (b) Persons currently on the exclusion list for riverboat  
5 gambling established under the Riverboat Gambling Act and rules  
6 adopted under the Riverboat Gambling Act shall be included on  
7 the Exclusion List. In addition, the Board may place a person  
8 on the Exclusion List if the Board determines that placement of  
9 the person on the Exclusion List is essential to ensure the  
10 integrity of video gaming operations based on one or more of  
11 the following:

12 (1) conviction in any jurisdiction of a felony, crime  
13 involving gaming, crime of moral turpitude, or crime of  
14 dishonesty;

15 (2) violation of this Act or rules adopted under this  
16 Act or violation of the Riverboat Gambling Act or rules  
17 adopted under the Riverboat Gambling Act;

18 (3) having a notorious or unsavory reputation or  
19 performing any act that would adversely affect public  
20 confidence and trust in gaming; or

21 (4) placement on any valid and current exclusion list  
22 from another jurisdiction in the United States.

23 (c) Before the Board places a person on the Exclusion List,  
24 the Administrator shall deem that person a candidate for  
25 exclusion and shall file and deliver to the person a notice of  
26 exclusion. The notice shall include the identity of the

1 candidate, the nature and scope of the circumstances or reasons  
2 that the person should be placed on the Exclusion List, names  
3 of potential witnesses, and a recommendation whether the  
4 placement on the Exclusion List shall be permanent. The notice  
5 shall inform the person of his or her right to a hearing on the  
6 issue of placement on the Exclusion List.

7 (d) The Exclusion List shall be published on the Board's  
8 website and distributed by the Board to any person who so  
9 requests. The published Exclusion List shall be updated  
10 promptly when a name is added or deleted. The following  
11 information, to the extent known, shall be included for each  
12 person placed on the published Exclusion List:

13 (1) full name, date of birth, and all aliases;

14 (2) the date the person's name was placed on the list;

15 and

16 (3) such other information as deemed necessary by the  
17 Administrator.

18 (e) The Board shall, by rule, establish procedures  
19 concerning how a person placed on the Exclusion List may  
20 petition for removal from the Exclusion List after at least one  
21 year from the date of placement on the Exclusion List or from  
22 the conclusion of any hearing or appeal associated with  
23 placement on the Exclusion List, whichever is later.

24 (230 ILCS 40/55)

25 Sec. 55. Precondition for licensed location. In all cases

1 of application for a licensed location, to operate a video  
2 gaming terminal, each licensed establishment, licensed  
3 fraternal establishment, or licensed veterans establishment  
4 shall possess a valid liquor license issued by the Illinois  
5 Liquor Control Commission in effect at the time of application  
6 and at all times thereafter during which a video gaming  
7 terminal is made available to the public for play at that  
8 location. Video gaming terminals in a licensed location shall  
9 be operated only during the same hours of operation generally  
10 permitted to holders of a license under the Liquor Control Act  
11 of 1934 within the unit of local government in which they are  
12 located. A licensed truck stop establishment that does not hold  
13 a liquor license may operate video gaming terminals on a  
14 continuous basis. A licensed fraternal establishment or  
15 licensed veterans establishment that does not hold a liquor  
16 license may operate video gaming terminals if (i) the  
17 establishment is located in a county with a population between  
18 6,500 and 7,000, based on the 2000 U.S. Census, (ii) the county  
19 prohibits by ordinance the sale of alcohol, and (iii) the  
20 establishment is in a portion of the county where the sale of  
21 alcohol is prohibited. A licensed fraternal establishment or  
22 licensed veterans establishment that does not hold a liquor  
23 license may operate video gaming terminals if (i) the  
24 establishment is located in a municipality within a county with  
25 a population between 8,500 and 9,000 based on the 2000 U.S.  
26 Census and (ii) the municipality or county prohibits or limits

1 the sale of alcohol by ordinance in a way that prohibits the  
2 establishment from selling alcohol. Video gaming terminals in  
3 any licensed location may only be operated during that  
4 location's regular business hours, when the video gaming  
5 terminals are generally available to the public for use or  
6 play.

7 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10;  
8 97-594, eff. 8-26-11.)

9 (230 ILCS 40/58)

10 Sec. 58. Location of terminals.

11 (a) Video gaming terminals must be located in an area  
12 restricted to persons over 21 years of age the entrance to  
13 which is within the view of at least one employee, who is over  
14 21 years of age, of the establishment in which they are  
15 located. Any licensed establishment, licensed truck stop  
16 establishment, licensed veterans establishment, and licensed  
17 fraternal establishment that allows minors to enter shall  
18 separate any video gaming terminals from the sight of any minor  
19 by placing a partition of at least 5 feet in height between the  
20 video gaming terminals and any area where a minor may be  
21 present. The partition shall be permanently affixed and solid  
22 except for an opening to allow for player access into the area.  
23 The placement of video gaming terminals in licensed  
24 establishments, licensed truck stop establishments, licensed  
25 fraternal establishments, and licensed veterans establishments

1 shall be subject to the rules promulgated by the Board pursuant  
2 to the Illinois Administrative Procedure Act.

3 (b) All licensed establishments, licensed truck stop  
4 establishments, licensed veterans establishments, and licensed  
5 fraternal establishments that allow minors to enter shall post  
6 signs on the premises that state that the play of video gaming  
7 terminals by persons under the age of 21 is prohibited and that  
8 state that access to areas where video gaming is conduct is  
9 prohibited by persons under the age of 21.

10 (c) The phrase "NO PERSON UNDER THE AGE OF 21 ALLOWED TO  
11 PLAY" shall be conspicuously displayed on the face of all video  
12 gaming terminals.

13  
14 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)

15 (230 ILCS 40/59 new)

16 Sec. 59. Compulsive gambling.

17 (a) Each licensed establishment, licensed truck stop  
18 establishment, licensed veterans establishment, and licensed  
19 fraternal establishment shall post signs with a statement  
20 regarding obtaining assistance with gambling problems, the  
21 text of which shall be determined by rule by the Department of  
22 Human Services, at the following locations in each facility at  
23 which gambling is conducted by the licensed owner:

24 (1) Each entrance and exit.

25 (2) If the establishment has a separate restricted area

1       for video gaming pursuant to 11 Ill. Adm. Code 1800.810(b),  
2       at each entrance and exit to that area of the video gaming  
3       location.

4           (3) Near each credit location.

5       The signs shall be provided by the Department of Human  
6       Services.

7       (b) Each licensed establishment, licensed truck stop  
8       establishment, licensed veterans establishment, and licensed  
9       fraternal establishment shall print a statement regarding  
10       obtaining assistance with gambling problems, the text of which  
11       shall be determined by rule by the Department of Human  
12       Services, on all paper stock that the licensed establishment,  
13       licensed truck stop establishment, licensed veterans  
14       establishment, or licensed fraternal establishment provides to  
15       the general public."